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## UNITED STATES OF AMERICA POSTAL REGULATORY COMMISSION WASHINGTON, DC 20268-0001

**Before Commissioners:** 

Robert G. Taub, Chairman; Mark Acton, Vice Chairman; Tony Hammond; and Nanci E. Langley

Competitive Product Prices First-Class Package Service Contract 36 (MC2014-32) Negotiated Service Agreements

Docket No. CP2014-57

## ORDER GRANTING MOTION FOR TEMPORARY RELIEF

(Issued July 13, 2017)

The negotiated service agreement approved in this proceeding (Existing Agreement) is set to expire July 22, 2017. On July 10, 2017, the Postal Service filed a motion for temporary relief seeking to extend the expiration date of the Existing Agreement.<sup>2</sup>

The Postal Service states that it is working cooperatively with the customer to reach a new agreement, but, due to extenuating circumstances, the customer and the Postal Service were unable to reach an agreement in time for a new agreement to take

<sup>&</sup>lt;sup>1</sup> See Docket Nos. MC2014-32 and CP2014-57, Order No. 2128, Order Adding First-Class Package Service Contract 36 to the Competitive Product List, July 21, 2014, at 10. The Postal Service states that the Existing Agreement expires July 21, 2017. Notice at 1.

<sup>&</sup>lt;sup>2</sup> Docket Nos. MC2014-32 and CP2014-57, Motion of the United States Postal Service for Temporary Relief, July 10, 2017 (Motion).

effect before the Existing Agreement expires. See Motion at 1-2. The Postal Service seeks a 60-day extension to allow the Existing Agreement to remain in effect until the Commission completes its review of a successor agreement. *Id.* at 2.

The Commission reiterates that the dates on which contracts are scheduled to expire are known.<sup>3</sup> The Commission has repeatedly urged the Postal Service to use contract extensions only in limited circumstances and not as a standard practice.<sup>4</sup> The Postal Service's bare reference to "extenuating circumstances" does not describe with particularity the circumstances requiring this extension, impeding the Commission's ability to determine whether those circumstances justify the requested extension.<sup>5</sup>

However, recognizing the practical impact of the Commission's decision and to allow the Postal Service the flexibility that it needs to continue this agreement, the Commission grants this Motion, absent harm to the public interest or prejudice to any party, and urges the Postal Service to provide the new agreement for review and approval at least 15 days before this temporary extension expires. The Existing Agreement is modified to continue through, and will expire on September 11, 2017, unless terminated earlier pursuant to the terms of the agreement. In considering any future requests for an extension from the Postal Service, the Commission will closely evaluate the Postal Service's compliance with Commission regulations and prior Commission guidance to ensure that such requests are appropriately considered.

<sup>3</sup> See, e.g., Docket No. CP2009-38, Order No. 1523, Order Granting Motion for Temporary Relief and Providing Guidance Regarding Future Motions for Temporary Relief, November 1, 2012, at 2.

<sup>&</sup>lt;sup>4</sup> See Docket No. CP2012-38, Order No. 2685, Order Granting Second Motion for Temporary Relief, August 26, 2015, at 2; Docket No. CP2013-83, Order No. 3665, Order Granting Third Motion for Temporary Relief, December 14, 2016, at 2.

<sup>&</sup>lt;sup>5</sup> See Motion at 1-2. See also Docket No. CP2012-46, Order No. 2660, Order Granting Motion for Temporary Relief in Part, August 12, 2015, at 2; Docket No. CP2013-15, Order No. 2815, Order Granting Motion for Temporary Relief, November 13, 2015, at 2 (discussing particularity).

<sup>&</sup>lt;sup>6</sup> See Docket Nos. CP2008-8, CP2008-9, CP2008-10, Order No. 85, Order Concerning Global Plus Negotiated Service Agreements, June 27, 2008, at 10; Docket No. CP2012-46, Order No. 2753, Order Granting Second Motion for Temporary Relief, October 15, 2015, at 2; see also 39 C.F.R. § 3015.5.

Docket No. CP2014-57

- 3 -

## It is ordered:

- The Motion of the United States Postal Service for Temporary Relief, filed July 10, 2017, is granted.
- 2. The Mail Classification Schedule will continue to list the Existing Agreement through September 11, 2017, unless terminated earlier pursuant to the terms of the agreement.

By the Commission.

Ruth Ann Abrams Acting Secretary

Commissioner Hammond, Dissenting